

# Australian car workers strike over treatment of sacked colleagues

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Up to 200 workers at General Motors-Holden's (GMH) engine plant in Port Melbourne walked off the job on Thursday and remained on strike yesterday over the amount being paid by the company to 30 of their colleagues who were sacked on Friday. They voted to take legally unprotected industrial action when told that management refused to increase redundancy payouts above a maximum of 52 weeks' pay—despite some of the retrenched workers having been employed by GMH for decades.

The Australian Manufacturing Workers Union (AMWU) is calling on the company to pay the sacked workers the same as those taking “voluntary” redundancy. Under the terms of the 2011 workplace agreement between the company and the union, workers who opt to be retrenched are paid 4 weeks' pay for each year of completed service, plus 3.5 weeks' pay. There are no such guarantees for forced sackings, despite expectations among workers that it would be more, not less.

GMH announced a major downsizing of its operations in April, slashing another 400 jobs from its assembly plant in Elizabeth, South Australia and 100 from the Port Melbourne engine and design facility. The AMWU immediately agreed to the job losses and called on workers to volunteer for redundancy. At Port Melbourne, however, only 70 did so. Management, with the union's connivance, nominated another 30 to be retrenched.

GMH responded to the impromptu strike by asking Fair Work Australia (FWA), the industrial relations tribunal, to declare the action illegal and open the way for workers to be fined. Hearings are scheduled next week.

The company was allegedly prepared for a possible strike at Port Melbourne. The *Herald Sun* reported that

GMH built up a stockpile of V6 engines to ensure the assembly line at Elizabeth would not be disrupted. AMWU South Australian state secretary John Camillo told the media there were “no plans” for any action at Elizabeth, reassuring GMH that the Port Melbourne workers would be isolated if they continued their strike into next week.

The Port Melbourne strike testifies to the immense frustration and anger among car workers across the entire industry. They are being straight-jacketed by the AMWU as it collaborates with all three car manufacturers in Australia—Ford, Toyota and GMH—to slash production costs at workers' expense. This is part of the vast global restructuring underway in the auto industry.

A question mark hangs over the future of vehicle production in Australia after Ford announced in May that it will close its plants in Geelong and Broadmeadows in 2016 because they are “unprofitable.”

In June, GMH threatened to shut the Elizabeth plant unless it could reduce production costs by \$3,750 per car. The 1,700-strong workforce was then blackmailed, with the help of the AMWU, into voting for a new workplace agreement that included a three-year wage freeze, changes to shifts and holiday conditions, and the unfettered use of lower-paid casual labour.

Toyota, following the lead of the GMH-AMWU agreement at Elizabeth, announced it wants to tear up its existing workplace agreement and extract concessions from workers that lower production costs by \$3,800 per vehicle. The AMWU is drawing up cost-cutting plans with the management, as well as enforcing 100 more redundancies at Toyota's assembly plant in the western Melbourne suburb of Altona. Last year, the union assisted the company to eliminate 450

jobs from the plant.

Speaking after GMH workers voted for worse conditions at Elizabeth in September, AMWU state secretary Camillo stated: “It was a tough choice, but they made the right decision.... They really wanted to vote no, but at the end of the day they knew they were voting for their future.”

In fact, the AMWU was well aware that a report prepared for GMH and the union by University of Adelaide academic Goron Roos stated that production in Australia was “not sustainable.” Roos asserted that GMH would probably close down Elizabeth in 2016. The report’s assessment was that if GMH closed, Toyota would follow suit, as most of the parts industry in Australia would collapse.

Even if GMH continued assembly after 2016, Roos concluded, it would produce a reduced number of models that did not utilise the type of engines manufactured at Port Melbourne, and would source most components from global suppliers.

The fact that the engine plant is likely to shut down, regardless of what happens at Elizabeth, was a major factor in the furious response by Port Melbourne workers to the amount paid for forced redundancies. Based on the precedent established by this week’s sackings, the remaining workers would also have payouts capped at 52 weeks when they are laid off.

To the extent that any cars continue to be assembled in Australia, it will be based on the ability of the corporations, working in conjunction with the federal and state governments and the trade unions, to slash workers’ wages and conditions. This process is exemplified in the United States, where the Obama administration and the United Auto Workers union organised in 2009 to destroy tens of thousands of jobs and cut the hourly wages of new workers to as low as \$15 an hour.

The closure of the Australian car industry would destroy not only 50,000 jobs in the production plants and parts manufacturers, but also another 150,000 jobs, due to the flow-on economic impact. In the face of such potential social devastation, workers are being told by the AMWU to sit on the sidelines while union officials haggle with the companies over number of job losses, the size of redundancy payouts and the extent of cuts to their wages and conditions.

The only way forward for GMH, Toyota and Ford

workers is to organise a rebellion against the corporatist agenda of the trade unions. The demand, embraced by the unions, that workers “compete” with their counterparts in other countries means a race to the bottom, with poverty-level wages and conditions of ruthless exploitation.

The global offensive by the transnational auto corporations can be fought only by a united movement of car workers internationally. Independent rank-and-file committees should be established in every car plant to turn out to other sections of workers in Australia and internationally facing similar attacks, in the struggle to defend all jobs, wages and conditions. Such a fight can be waged only on the basis of a socialist program, including placing the car companies, along with the banks and other major corporations, under public ownership and the democratic control of the working class.



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